



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 telephone

(801) 359-3940 fax

(801) 538-7223 TTY

www.nr.utah.gov

Michael O. Leavitt  
Governor

Robert L. Morgan  
Executive Director

Lowell P. Braxton  
Division Director

December 10, 2002

CERTIFIED RETURN RECEIPT  
7099 3400 0016 8895 4647

Tony Christofferson  
H.E. Davis Construction, Inc.  
525 West Arrowhead Trail  
Spanish Fork, Utah 84639

Re: Tentative Approval to Commence Large Mining Operations, H.E. Davis Construction, Inc., Levan Gypsum Mine, M/023/016, Juab County, Utah

Dear Mr. Christofferson:

On July 31, 2002, the Division received a Notice to Transfer Large Mine Operations for the Levan Gypsum large mining operation from Geneva Rock Products to H.E. Davis Construction, Inc. Along with the transfer application was a rider from Travelers Casualty and Insurance Company, showing the reclamation surety bond had been transferred from Geneva Rock Products to H.E. Davis Construction, Inc. At this time, this application has not been finalized.

Because Geneva Rock Products had never received final approval for their Notice to Commence Large Mining Operations (LMO), which was received on August 24, 2000, the Division was unable to transfer the permit. On October 15, 2002, the Division received two copies of the Notice of Intention to Commence Large Mining Operations (LMO) from H. E. Davis Construction, Inc. which replaces and supercedes the August 24, 2000, Geneva Rock Products Notice. Along with the H.E. Davis LMO, was an executive summary which showed your reclamation surety estimate to be \$200,211. The Division reviewed the surety amount and arrived at a reclamation surety for this plan of \$226,100 (copy enclosed).

After reviewing the H.E. Davis Construction LMO, the Division is now prepared to grant tentative approval of the Levan Gypsum large mining permit application. We have published a formal notice of tentative approval in the appropriate Salt Lake City and Juab County newspapers. This will begin the required 30-day public comment period. If no substantive comments are received during the public comment period, the Division will then be prepared to issue its final approval for this project.

Prior to issuing final approval, the Division requires a Reclamation Contract and a reclamation surety in the amount of \$226,100 be provided. The reclamation surety which Travelers transferred from Geneva Rock Products to H.E. Davis is in the amount of \$56,000; therefore, an additional \$170,100 reclamation surety prior to January 13, 2003. We would prefer that Travelers issue a new surety bond, identifying the current operator (H.E. Davis Construction, Inc.) and the total reclamation surety amount of



Page 2  
Tony Christofferson  
M/023/016  
December 9, 2002

\$226,100 and then cancel the \$56,000 surety bond. We have enclosed a Reclamation Contract form w/guideline, and a surety bond form (MR-6) for your use. If you choose to post a different form of surety, please contact Joelle Burns at (801) 538-5291 to obtain the proper forms. Or you may download the forms on the internet at [www.ogm.utah.gov](http://www.ogm.utah.gov). *Please provide us with a "draft" copy of the completed reclamation contract and surety form before they are finalized so we can review them for completeness and accuracy.*

Please be advised that **if the required surety and Reclamation Contract are not received prior to the end of the 30-day public comment period (or arrangements made as to when they will be submitted), the Division will withdraw our Tentative Approval and return your Notice to you.** If, at a later time, you wish to pursue a mining permit, you will need to submit a new notice along with the appropriate application fee, receive Tentative Approval (you will be billed for publishing in the newspapers a second time), submit the required reclamation surety, and receive written approval from this office as well as any other agency involved with the permitting process **prior** to creating any mining related disturbance.

As this project is located on U.S. Forest Service lands, we forwarded one of the copies of the LMO to the Forest Service for their records and review. The Division requests that H.E. Davis Construction provide the Division with another complete copy of the plan, which, upon final approval, we can stamp the copies "approved" and return one approved copy to you for your records.

Also, upon receiving final approval of the H.E. Davis Construction, Inc. plan, we will then be able to finalize the Notice of Transfer of this site from Geneva Rock Products at that time as well.

Thank you for your cooperation and patience in completing this permitting process. If you have any questions regarding this letter, please contact me at (801) 538-5291 or Tom Munson at 538-5321.

Sincerely,



*FOR* D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
Enclosure: MR-RC w/guidelines, MR-6, surety estimate  
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**RECLAMATION SURETY ESTIMATE**

Geneva Rock Products, Inc.

Levan Gypsum

DOGM file number M/023/016

Prepared by Utah State Division of Oil, Gas &amp; Mining

last revision

07/10/02

filename M023-016.WB2

page "estimate D9"

Juab County

**-This estimate uses a D9 size dozer for most earthwork**
**Note: actual unit costs may vary according to site conditions**

last unit cost update

2-Aug-00

**-Amount of disturbed area which will receive reclamation treatments =**
**42.85 acres**
**-Estimated total disturbed area for this mine =**
**42.85 acres**

Activity	Quantity	Units	\$/unit	\$	Note
Safety gates, signs, etc. (mtls & installation)	2	sum	200	400	(1)
Demolition of buildings & facilities	0	CF	0.24	0	(2)
Debris & equipment removal - trucking	2	trips	50	100	(3)
Debris & equipment removal - dump fees	20	ton	55	1100	(4)
Debris & equipment removal - loading trucks w/FE loader	2	hours	166	332	(5)
Demolition & debris removal - general labor	4	hours	15	60	(6)
Regrading facilities areas (1 ft depth)	5	acre	364	1820	(7)
Regrading waste dump slopes	19,300	CY	0.5	9650	(8)
Ripping waste dump tops	4	acre	271	1084	(9)
Ripping stockpile & compacted areas	5	acre	271	1355	(9)
Ripping pit floors	31.35	acre	271	8496	(9)
Ripping pit access roads	6.38	acre	271	1729	(9)
Creating safety berms or barriers around highwalls	1700	LF	0.16	272	(10)
Ripping access roads - dozer	6.38	acre	271	1729	(9)
Regrading access roads - dozer	6.38	acre	502	3203	(7)
Sidecast mtl replacement on steep roads- trackhoe	10,177	LF	1.09	11093	(11)
Surface drainage restoration or construction	200	LF	0.16	32	(10)
Topsoil replacement - dozer/trackhoe	49,030	CY	0.5	24515	(12)
Topsoil replacement - scraper	0	CY	1.15	0	(13)
Topsoil replacement - truck & FE loader	19,300	CY	2.6	50180	(14)
Mulching (2 ton/acre alfalfa)	0	acre	160	0	(00)
Fertilizing ( 100 lb/acre diammonium phosphate)	0	acre	90	0	(00)
Composted manure (10 ton/acre)	42.85	acre	300	12855	(00)
Broadcast seeding	5.5	acre	225	1238	(00)
Drill seeding	0	acre	205	0	(00)
Hydroseeding	37.35	acre	800	29880	(00)
General site cleanup & trash removal	42.85	acre	50	2143	(00)
Equipment mobilization	4	equip	1000	4000	(00)
Reclamation Supervision	30	days	386	11580	(15)
		Subtotal		178845	
10% Contingency				17884	
		Subtotal		196729	
Escalate for 5 years at 2.82% per yr				29348	
		Total		226077	
Rounded surety amount in yr 2007-\$				226100	
Average cost per disturbed acre =				5277	

# RECLAMATION SURETY ESTIMATE

Geneva Rock Products, Inc.

Levan Gypsum

DOGM file number M/023/016

Prepared by Utah State Division of Oil, Gas & Mining

last revision

07/10/02

filename M023-016.WB2

page "estimate D9"

Juab County

## Note

- (1) DOGM lump sum assumed
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- (2) Means Heavy Construction Cost Data 2000, 02220-100-0100, mix of bldg. types, avg., excluding dump fees
- (3) Means 2000, 02225-730-5100, bldg demo, rubbish handling, \$0.50/CY permile for >8CY truck; assumed 100 miles round trip
- (4) Means 2000, 02225-740-0100, dump charges, typical urban city, tipping fees only, bldg construction mtl's
- (5) Rental Rate Blue Book 3Q/00, Cat 988B, 7CY \$85.64hr+\$39.60/hr, & Means 2000, Crew B-10U, loading trucks only\$40.87
- (6) DOGM assumed wage for unskilled general labor
- (7) Means 2000 & Blue Book 3Q/00: Cat D9N, U, mtl 2550 lb/CY, 50 ft push, 1 ft depth
- (8) Means 2000 & Blue Book 3Q/00: Cat D9N, U, mtl 2550 lb/CY, 100 ft push
- (9) Means 2000 & Blue Book 3Q/00: Cat D9N, U, multi shank rippers, speed 1.0 mph
- (9) Means 2000 & Blue Book 3Q/00: Cat D9N, U, multi shank rippers, speed 1.0 mph
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- (9) Means 2000 & Blue Book 3Q/00: Cat D9N, U, multi shank rippers, speed 1.0 mph
- (10) Means 2000 & Blue Book 3Q/00: Cat D9N, U, mtl 2550 lb/CY, 50 ft push, avg vol 0.5CY/LF-berm assumed
- (9) Means 2000 & Blue Book 3Q/00: Cat D9N, U, multi shank rippers, speed 1.0 mph
- (7) Means 2000 & Blue Book 3Q/00: Cat D9N, U, mtl 2550 lb/CY, 50 ft push, 1 ft depth
- (11) Contractor's actual costs, 1991 at E/053/012 escalated to 2000-\$, Cat 225 Excavator, 20 ft wide road
- (10) Means 2000 & Blue Book 3Q/00: Cat D9N, U, mtl 2550 lb/CY, 50 ft push, avg vol 0.5CY/LF-berm assumed
- (12) Means 2000 & Blue Book 3Q/00: Cat D9N, U, mtl 2550 lb/CY, 100 ft push
- (13) Means 2000 & Blue Book 3Q/00: Cat 627F P-P, mtl 2550 lb/CY, 2,000 ft haul one-way, grade +/- 4%,
- (14) Means 2000 02320-200-2030: earthwork, hauling excavated or borrow material, off highway hauler, 22 CY, 1 mile round trip, no loading included
- (00) DOGM general estimate - mulching
- (00) DOGM general estimate - fertilizing
- (00) DOGM general estimate - manure \$16/ton delivered, \$14 ton/acre spreading
- (00) DOGM general estimate - broadcast seeding
- (00) DOGM general estimate - drill seeding
- (00) DOGM general estimate - hydroseeding
- (00) DOGM general estimate - site cleanup & trash removal
- (00) DOGM general estimate - equipment mobilization
- (15) Means 2000, 01300-700-0180, project manager, minimum \$1,930/wk